

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO *et al.*,

Debtors.¹
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: PROMESA
: Title III
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: Case No. 17-BK-3283 (LTS)
:
: (Jointly Administered)
:
:
: X

**NOTICE OF PAUL HASTINGS LLP, COUNSEL TO OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, OF RATE ADJUSTMENTS
EFFECTIVE FEBRUARY 1, 2023**

Paul Hastings LLP (“Paul Hastings”), counsel to the Official Committee of Unsecured Creditors (the “Committee”),² hereby submits this notice in accordance with the Court’s *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-Retained Professionals* [Docket No. 7678] (“Additional Presumptive Standards Order”), and respectfully states as follows:

1. As of February 1, 2023, the hourly rates of Paul Hastings professionals working on matters in this Title III case will be adjusted to reflect firm-wide annual rate adjustments

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² The Committee is the official committee of unsecured creditors for all Title III Debtors, other than PBA and COFINA.

and/or advancements in individual professionals' seniority, as detailed in the certification of Luc

A. Despins, attached hereto as **Exhibit A**.

WHEREFORE, Paul Hastings respectfully requests that the Court take notice of the foregoing.

Dated: January 12, 2023

By: /s/ Luc A. Despins

PAUL HASTINGS LLP

Luc A. Despins, Esq. (*Pro Hac Vice*)

G. Alexander Bongartz, Esq. (*Pro Hac Vice*)

200 Park Avenue

New York, New York 10166

Telephone: (212) 318-6000

lucdespins@paulhastings.com

alexbongartz@paulhastings.com

*Counsel to the Official Committee of Unsecured
Creditors*

EXHIBIT A

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re:	:	
	:	
THE FINANCIAL OVERSIGHT AND	:	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	:	Title III
	:	
as representative of	:	Case No. 17-BK-3283 (LTS)
	:	
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	:	(Jointly Administered)
	:	
Debtors. ¹	:	
	X	

**CERTIFICATION OF LUC A. DESPINS IN SUPPORT OF NOTICE OF PAUL
HASTINGS LLP, COUNSEL TO OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, OF RATE ADJUSTMENTS EFFECTIVE FEBRUARY 1, 2023**

I, Luc A. Despins, hereby certify the following:

1. I am an attorney admitted and in good standing to practice in the State of New York. I am a partner with the law firm of Paul Hastings LLP ("Paul Hastings"), located at, among other offices worldwide, 200 Park Avenue, New York, New York 10166.

2. I am authorized to submit this certification in support of the *Notice of Paul Hastings LLP, Counsel to the Official Committee of Unsecured Creditors, of Rate Adjustments Effective February 1, 2023* (the "Notice"), filed contemporaneously herewith. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

3. Paul Hastings' retention order [Docket No. 999] specifically authorizes Paul Hastings to charge its regular hourly rates in effect from time to time, as such rates may be increased periodically.

4. In accordance with the *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-Retained Professionals* [Docket No. 7678] ("Additional Presumptive Standards Order"), the Committee has authorized the following rate adjustments, both with respect to the February 1, 2023 effective date and on a timekeeper-by-timekeeper basis:²

Timekeeper Name	Position (in 2023)	2022 Rate ³	2023 Rate ³
Despins, Luc A. ⁴	Partner	\$1,360.00	\$1,460.00
Jimenez, Pedro	Partner	\$1,280.00	\$1,400.00
Bongartz, Alex	Counsel	\$1,180.00	\$1,300.00
Kahn, Marguerite	Counsel	\$1,024.00	\$1,100.00
Sepinuck, Stephen	Counsel	\$1,040.00	\$1,120.00
Catalano, Kristin	Associate	\$596.00	\$732.00
Maza, Shlomo	Associate	\$720.00	\$900.00
Sutton, Ezra	Associate	\$648.00	\$812.00
Magzamen, Michael	Paraprofessional	\$412.00	\$444.00

² The chart sets forth the 2022 and 2023 hourly rates for timekeepers who billed more than 5 hours in the most recent fee period and who are expected to continue to work on the Title III cases. The hourly rates of timekeepers not specifically listed are changing in line with these rates. The hourly rates of non-attorney timekeepers (paralegals, librarians, project specialists, etc.) will generally increase by \$15.00 to \$32.00 per hour (net of the 20% end-of-case reduction).

³ For illustrative purposes, the rates in this chart have been adjusted, on a *pro forma* basis, to reflect Paul Hastings' agreement to reduce its total fees by an amount equal to 20% of the total fees sought to be paid in connection with our final fee application. Nothing herein alters Paul Hastings' agreement to reduce its total fees by an amount equal to 20% of the total fees sought to be paid in connection with our final fee application, with the precise fees to be waived to attain the 20% reduction to be designated by Paul Hastings (in its sole discretion) in connection with the final fee application process.

⁴ As a courtesy to the Committee and the Debtors, Paul Hastings previously agreed that, in the Puerto Rico matter, the hourly rate of Luc Despins would be his standard rate for the immediately preceding year (*i.e.*, for the year 2022, his hourly rate was his 2021 standard rate and, for the year 2021, his hourly rate was his 2020 standard rate, etc.). For the year 2023, Paul Hastings has agreed to continue this practice, so that the hourly rate of Mr. Despins for the Puerto Rico matter is his 2022 standard rate. (Absent the foregoing concession, Mr. Despins' 2023 rate would be \$1,600, after taking into account the 20% end-of-case reduction.)

5. Paul Hastings' rate schedule for associates in New York (by class year) is as follows:

	2022 Rate ⁵	2023 Rate ⁵
Entering	\$580.00	\$640.00
1 st Year	\$596.00	\$684.00
2 nd Year	\$648.00	\$732.00
3 rd Year	\$720.00	\$812.00
4 th Year	\$800.00	\$900.00
5 th Year	\$872.00	\$940.00
6 th Year	\$904.00	\$988.00
7 th Year	\$936.00	\$1,016.00
8 th Year	\$956.00	\$1,032.00
9 th Year	\$960.00	\$1,056.00

6. On an annual basis, Paul Hastings evaluates the hourly rates charged by its billing professionals to determine whether those rates should be increased based on a timekeepers' developing skills and experience, and consistent with changes in market hourly rates. In making this evaluation, Paul Hasting obtains third party consultant information to assist it in determining an appropriate rate schedule for its billing professionals.

7. The 2023 rates charged by the billing professionals working on these Title III cases were set through this process, and are consistent, both in amount and timing, with rates for Paul Hastings timekeepers not working on these Title III cases.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief formed after reasonable inquiry.

Dated: January 12, 2023

/s/ Luc A. Despins
Luc A. Despins

⁵ For illustrative purposes, the rates have been adjusted, on a *pro forma* basis, to reflect Paul Hastings' agreement to reduce its total fees by an amount equal to 20% of the total fees sought to be paid in connection with our final fee application.